

JOURNAL

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Downtown Portland, Oregon

photo by Tony Morrell

Johansen signs subscription ROD

BPA Administrator Judi Johansen signed the Power Subscription Strategy Supplemental Record of Decision on April 28 opening the subscription window and culminating a process that began over three years ago. An open subscription window means that BPA's public customers, at their discretion, can now sign contracts of up to 10 years duration to purchase federal power beginning after 2001. The Power Business Line signed its first subscription contract with the City of Albion, Idaho. The window will remain open through Sept. 30, 2000.

Parties settle transmission rate case

BPA's Transmission Business Line announced on May 3 that it has tentatively settled its fiscal 2001 rate case. The settlement is contingent upon the successful outcome of negotiations on rules for commercial use of the transmission system — the non-rate transmission


terms and conditions. The parties will start those negotiations immediately. If all goes well, an agreement on the terms and conditions will be in place June 20. TBL's new rates, terms and conditions will take effect Oct. 1, 2001, and cover fiscal years 2002-2003.

The settlement significantly cut transmission rate increases from what was proposed March 15. To get to these numbers, TBL recalculated sales projections and made other adjustments. It did not cut programs. The proposed transmission rates would increase delivered wholesale power bills by about 2 to 4 percent. The cost will vary from utility to utility. Despite the rate increase, TBL will maintain its position as one of the lowest-cost transmission providers in the Northwest.

BPA tags transmission transactions electronically

Last month, BPA's Transmission Business Line officially





started putting electronic tags on all transmission transactions. The e-tags track each transmission schedule from power generator to power user — no matter how many times it changes hands along the way. The North American Electric Reliability Council (NERC) requires e-tags on all transmission transactions as of April 2000 to help maintain grid reliability.

NERC developed e-tags in response to changes in the way the transmission grid is being used in a restructured power industry. Before wholesale power deregulation, power typically flowed from generator to user with few, if any, changes of ownership. Today, power marketers may buy, sell and resell a single transaction many times. E-tags assure that all parties can be identified immediately and that responsibilities are clear.

Public involvement proposed for RTO development

The Northwest Regional Transmission Organization (RTO) filing utilities — the region's transmission owners — held a public meeting on April 12 and proposed a collaborative public involvement process to support development of an RTO filing with the Federal Energy Regulatory Commission. The effort calls for five key elements: formation of a Regional Representatives Group to review issues and seek regional consensus, an interactive Web site, work groups on key issues, filing utilities business meetings and regional workshops on a regular basis. Eight of the seats would go to the filing utilities and BPA. The remaining 17 seats will go to representatives for the Northwest states, Canada, other transmission owners and customers, environmental interest groups and tribes. Comprehensive notes of the Regional Representative Group and other public meetings will be posted on an interactive Web site at <http://www.nwrto.org>

Fitch raises credit rating for BPA-backed bonds

Fitch IBCA, one of the three major Wall Street bond-rating agencies, is raising the credit rating for Energy Northwest and other bonds backed by BPA from AA- to AA. Fitch said its improved rating is based on "BPA's success over the past few years in retaining most of its

important customers and the demonstrated ability of BPA and Energy Northwest in lowering their power production costs to levels that should be highly competitive for the region."


Tacoma Power and PGE to purchase green power

Tacoma Power has agreed to purchase one megawatt of environmentally preferred power from BPA, and its customers will be able to sign-up with the utility to support that power purchase. One megawatt will serve the average needs of about 600 homes.

The 16-month agreement is the ninth environmentally preferred power sale BPA and Bonneville Environmental Foundation now have in place. Nearly 22 megawatts of BPA's environmentally preferred power have been sold across the West. Power for the Tacoma sale will come from a mix of wind and hydroelectric generation designated as an environmentally preferred resource. Solar, landfill gas and additional wind resources will soon be included as well. As demand for this power grows, even more resources could be added. BPA's supplies of environmentally preferred power are endorsed by three leading environmental organizations: Natural Resources Defense Council, Renewable Northwest Project and Northwest Energy Coalition.

BPA and PGE signed a unique wind power purchase agreement that will supply the energy PGE is using to fuel its recently announced Clean WindSM Power program. The agreement specifies that the power supplying PGE's wind program come from a new Northwest wind resource. BPA currently is looking at possible wind projects in Oregon, Washington or elsewhere in the Northwest that assure minimal environmental impacts. BPA anticipates announcing at least one new wind project later this year.

BPA's agreement with PGE is flexible and can be expanded as PGE gets more customers to participate in the Clean WindSM program. Nearly 2,500 customers have signed up for the programs. As more retail customers agree to pay a bit more to support wind, solar or other alternative energy resources, BPA has committed to use all of the premiums it collects from these power sales for additional investments in new



renewable resources. PGE customers may enroll in the Clean Wind Power program by visiting <http://www.pge-online.com> or by calling PGE at (800) 542-8818.

The Bonneville Environmental Foundation, an independent nonprofit organization that facilitates green power sales by BPA and other utilities in the region, will receive a share of the premium charged for the power sold to Tacoma and PGE. The foundation will use that premium to restore Northwest watersheds, to develop new renewable energy projects and to fund fish and wildlife habitat projects located throughout the Northwest.

Agencies revise hydro operations to help fish

BPA, the U.S. Army Corps of Engineers, Bureau of Reclamation and the National Marine Fisheries Service recently agreed to revise spring and summer hydro operations to increase fish survival. Hydro operators will change the volume and the duration of water spilled at four federal dams — Bonneville, The Dalles, John Day and Lower Monumental. Operations at four other projects — McNary, Ice Harbor, Little Goose and Lower Granite — will remain unchanged.

The revised operations are expected to increase salmon survival. Most experts think spilling fish over the dams is the safest and most effective way to move migrating threatened and endangered fish safely through the hydro system. Fish survival increases because fewer fish are subjected to passage through the hydroelectric turbines. While spill increases the risk of gas bubble disease, moderating the volume of water spilled reduces that threat.

While the complete Biological Opinion on operation of the federal dams will not be released until later this spring, the federal agencies agreed that these revised operations should be implemented immediately to maximize their contribution to survival and recovery of critically depressed salmon and steelhead runs.

Brian Brown, director of Hydro Operations for the National Marine Fisheries Service, said, "This is the spill plan we will include in the upcoming Biological Opinion. The more difficult issues of potential dam breaching, increased spring and summer flows,

improving water quality, and definition of the performance standards to recover threatened and endangered salmon are still ahead in this consultation."

Federal agencies and NW states join Northwest Solar Alliance

BPA along with the states of Idaho, Montana, Oregon and Washington and the U.S. Department of Energy's Seattle Regional Office have entered a cooperative effort to make the Northwest a major player in a national initiative to include solar as a vital part of a sustainable energy future.

By signing the Northwest Solar Alliance's white paper of purposes, goals and objectives, these charter members have agreed to promote solar energy applications. Solar energy is one area that BPA's utility customers can engage in to qualify for the agency's conservation and renewables rate discount. The proposed rate discount for investing in renewable resources and conservation is scheduled to take effect next year. BPA hopes through its work with the alliance to connect its customers with solar opportunities.

The alliance aims to reduce global warming and other environmental threats through the promotion of solar electricity in the Pacific Northwest. It does this in part by supporting the national Million Solar Roofs Initiative, a federal program to promote the addition of one million solar units nationwide. The alliance also will support Pacific Northwest solar electric manufacturers, installers and consultants, and provide a smooth transition into the solar age. The group is looking to increase in size and impact as it recruits other supporting members.

For BPA, this is the latest in a series of regional partnerships focused on advancing the wise and efficient use of energy. With the demand for power steadily increasing, the agency is actively looking for opportunities that can enhance its ability to meet customer needs and the needs of Northwest consumers.

BPA's 1999 Annual Report is available

BPA's 1999 Annual Report is available at the following Web site <http://www.bpa.gov/Corporate/KCC/ar/99ar/99arwelx.shtml> or by calling the document request line listed on the back page.

PUBLIC INVOLVEMENT

STATUS REPORTS

Big Eddy-Ostrander Vegetation Management. Ore. — To control vegetation on two segments of the 500-kV transmission line right-of-way. One segment is from Lolo Pass to near Parkdale. The other segment is east of Parkdale. An EA is being prepared. Call to be added to the mail list.

Coeur d'Alene Tribe (CDA) Trout Production Facility Project. Idaho — To fund the design, construction, operations and maintenance of the facility to help meet the need for off-site mitigation for losses on the mainstem Columbia River. An EA is being prepared. Call to be added to the mail list.

Fish and Wildlife Implementation Plan. Regionwide — To examine the impacts that may arise from implementing one of the fish and wildlife policy directions being considered in the ongoing regional processes. An EIS is being prepared. Call to be added to mail list.

Fourmile Hill Geothermal Development Project (Calpine). No. Calif. — A geothermal power plant and new transmission line have been proposed on U.S. Forest Service land in the Klamath and Modoc forests. BLM has the lead. BPA is a cooperating agency. A final EIS and summary are available. Call to receive a copy.

IDFG Snake River Chinook Captive Rearing. Idaho — To fund Idaho Department of Fish and Game's captive rearing project for Endangered Species Act-listed Snake River spring/summer chinook salmon. The EA is being finalized. A FONSI is anticipated. Call to be added to the mail list.

Johnson Creek Artificial Propagation Enhancement. Idaho — Development of a native chinook salmon broodstock for rearing of acclimated smolts to preserve and recover the population. An EA is being prepared. Call to be added to the mail list.

Kangley-Echo Lake Transmission Line Project. Wash. — To build a 500-kV transmission line in central King County that would connect an existing transmission line near the community of Kangley into the Echo Lake Substation. An EIS is being prepared. Call to be added to the mail list.

Northwest Regional Power Facility. Wash. — To construct a combustion turbine near Creston. The final EIS (#2887) and a supplement analysis are available. Call to receive a copy.

Shelton-Kitsap Transmission Rebuild. Wash. — To rebuild a 31-mile 115-kV transmission line between Shelton and Kitsap substations as a double circuit 230-kV line within the existing right-of-way. An EA is being prepared. Call to be added to the mail list.

Tanner Electric Transmission Line. Wash. — To build a 4.5 mile transmission line that would tie a new substation, proposed by Tanner Electric Cooperative, into an existing transmission line (owned by Puget Sound Energy). The preliminary EA will be available mid-May. See Calendar of Events and Close of Comment. Call to receive a copy.

Telephone Flats Geothermal Project (CalEnergy). No. Calif. — A geothermal power plant and new transmission line have been proposed on U.S. Forest Service land in the Modoc Forest. BLM has the lead. BPA is a cooperating agency. The final EIS (#0298) and summary are available. Call to receive a copy.

Tucannon River Spring Chinook Captive Broodstock Program. Wash. — To rear and spawn broodstock, raise their progeny and release smolts into the Tucannon River to quickly rebuild the run. The EA is being finalized. A FONSI is anticipated. Call to be added to the mail list.

Vegetation Management Program. Regionwide — To develop a vegetation management program while maintaining a safe and reliable transmission system. The final EIS is being prepared. Call to be added to the mail list.

CALENDAR OF EVENTS

Tanner Electric Transmission Line meeting — **June 5**, 3 p.m. to 8 p.m., Mt. Si Senior Center, 411 Main Ave.S., North Bend, Wash.

CLOSE OF COMMENT

Tanner Electric Transmission Line — Preliminary EA, **June 19**

EA: Environmental Assessment, EIS: Environmental Impact Statement, FONSI: Finding of No Significant Impact, ROD: Record of Decision

FOR MORE INFORMATION OR TO GET INVOLVED: The Journal is a monthly newsletter of the Bonneville Power Administration for customers and interested publics. To order documents or to be added to a mail list, call: 800-622-4520 or (503) 230-7334 (Portland). For questions/comments call: (503) 230-3478 (Portland) or 800-622-4519. Written comments may be sent to: BPA, P.O. Box 12999, Portland, OR 97212. Public Involvement, Internet, E-mail address comment@BPA.gov, BPA home page: <http://www.bpa.gov>

